The deposits under the scheme carry an interest rate of 9 per cent per annum payable quarterly which is higher than the interest available on any comparable savings instrument in the market. Keeping in view the above objectives, the scheme does not provide for compounding of interest. However, for the convenience of the depositors, the scheme has the facility of direct credit of interest in the depositor's savings account in the same post office/bank branch.

(c) No, Sir.

(d) Does not arise.

Outstanding loan of Al and IA

*392. SHRI B.K. HARIPRASAD: Will the Minister of CIVIL AVIATION be pleased to state:

(a) whether Air India and Indian Airlines have in their books large outstanding loans from January, 1989 to March, 2005;

(b) whether the Al and IA stand committed to pay up the guarantee fee covering Central Government's guarantees of external borrowings; and

(c) if so, the quantum of accumulated oustanding of guarantee fee payable by Al and IA as on 31.3.2004?

THE MINISTER OF STATE OF THE MINISTRY OF CIVIL AVIATION (SHRI PRAFUL PATEL): (a) The outstanding loan of Indian Airlines for acquisition of A-320 aircraft & simulators was Rs. 485 crores as on 31 st March, 1989, which stands at Rs. 119 crores as on 31st March, 2005 whereas the outstanding loan balance in respect of Air India as on 31.3.2005 is Rs. 632.59 crores.

(b) Air India and Indian Airlines are committed to pay guarantee fee as per stipulations made by Ministry of Finance at the time of giving the guarantee in the relevant sanctions extending the guarantees.

(c) The accumulated outstanding amount of guarantee for payable by Air India and Indian Airlines as on 31 st March, 2004 in accordance with stipulations made by Ministry of Finance in the sanction order at the time of extention of the guarantee fee at normal rate and at penal rate

(which is double the normal rate due to non-payment of guarantee fee in time) is as under:

(Rs. in crores)

Name of the organization	Amount of guarantee fee payable at normal rate	Amount of guarantee fee payable at penal rate
Air India Indian	21.43	42.86
Airlines	33.82	67.64

Against the above liabilities towards guarantee fee, Air India has paid in full at the normal rate and Indian Airlines have so far paid Rs. 8.50 crores.

Construction of International Airport at Chokan

†*393. SHRI RS. GAVAI: Will the Minister of CIVIL AVIATION be pleased to state:

(a) whether MIDC is constructing an International Airport at Chakan near Pune;

(b) whether Government also propose to construct an international cargo hub in it;

(c) if so, the details thereof; and

(d) if not, the reasons therefor?

THE MINISTER OF STATE OF THE MINISTRY OF CIVIL AVIATION (SHRI PRAFUL PATEL): (a) Maharashtra Industrial Development Corporation (MIDC) has a proposal to construct a Greenfield International Airport at Chakan near Pune.

(b) Airports Authority of India (AAI) has no plan at present to construct an international cargo hub at Chakan near Pune.

(c) Does not arise.

(d) Upgradation of airport infrastructure including the air cargo facilities by AAI is a continuous exercise which is contingent on demand side, supply side and other factors. In case of Chakan, as the MIDC's project

†Original notice of the the question was received in Hindi.